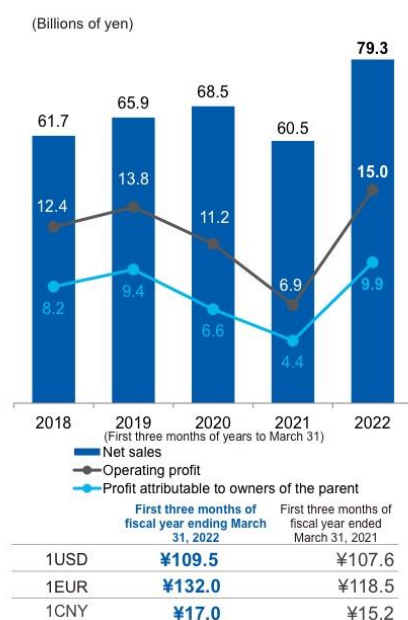


# Presentation

## Financial Highlights (Year on Year)



	First three months of fiscal year ending March 31, 2022		First three months of fiscal year ended March 31, 2021		(Billions of yen)
	Results	Ratio	Results	Ratio	YoY (Previous period = 100%)
Net sales	79.3	100%	60.5	100%	131.2%
Cost of sales	37.4	47.2%	29.8	49.4%	125.4%
SG&A expenses	21.5	27.1%	18.9	31.3%	113.6%
R&D expenses	5.4	6.9%	4.9	8.1%	111.8%
Other income (expenses)	0.1	0.2%	0.1	0.3%	92.4%
Operating profit	15.0	19.0%	6.9	11.5%	216.3%
Profit attributable to owners of the parent	9.9	12.6%	4.4	7.4%	222.7%

- Net sales:** Thanks to a recovery from the impact of COVID-19, net sales were up due to higher reagent sales in all regions and the impact of foreign exchange (yen depreciation).
  - Operating profit:** SG&A expenses increased, owing to the recommencement of sales and service activities. Even so, operating profit grew thanks to higher sales, which pushed up gross profit and improved the cost of sales ratio. Exchange rate fluctuations raised net sales ¥4.92 billion and increased operating profit ¥0.37 billion. At the exchange rates prevailing one year earlier, net sales would have been up 23.0% year on year, and operating profit up 111.0%.
  - Profit attributable to owners of the parent:** Profit was up due to higher operating profit and the impact of an exchange rate gain.
- Exchange gains (loss):** Gain of ¥0.25 billion (gain of ¥0.09 billion in same period of previous fiscal year)

3

**Tachibana:** I'm Tachibana from SYSMEX. I would like to provide an overview of the financial results for Q1 of the fiscal year ending March 31, 2022.

Please see page 3, which is the financial summary.

Net sales were JPY79.36 billion, up 31.2%, operating profit was JPY15.05 billion, up 116.3%, and profit attributable to owners of the parent was JPY9.99 billion, up 122.7%.

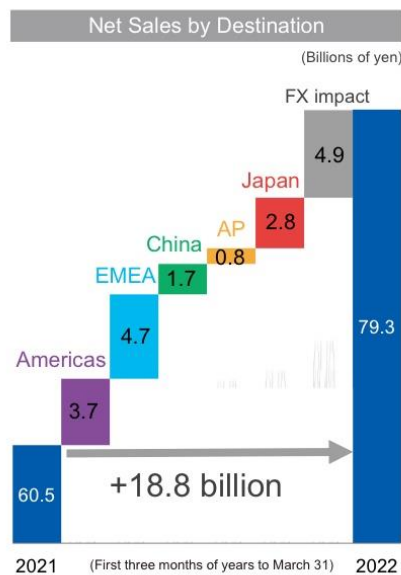
Net sales increased due to increased reagent sales in all regions as a result of recovery from the impact of COVID-19, as well as the weaker Japanese yen.

Operating profit increased due to an increase in gross profit from higher sales and an improvement in the cost of sales ratio, despite an increase in SG&A expenses due to the resumption of sales and service activities.

As shown on the lower left, the Japanese yen depreciated against the US dollar, euro, and China yuan compared to the same period last year, which had a positive impact of JPY4.92 billion on net sales and a positive impact of JPY370 million on operating profit.

Profit attributable to owners of the parent increased due to higher operating profit and the contribution of foreign exchange gains and losses, and the tax rate was 31.7%, almost the same level as the previous year.

## Breakdown of Net Sales (by Destination)



Double-digit growth in all regions, as testing demand is recovered

(Billions of yen)

	First three months of fiscal year ending March 31, 2022		YoY (Previous period = 100%)	
	Results	Ratio	Yen basis	Local currency basis
Net sales	79.3	100.0%	131.2%	123.0%*
Americas	18.1	22.9%	129.9%	127.7%
EMEA	25.2	31.8%	138.6%	124.4%
China	17.3	21.9%	125.4%	112.2%
AP	6.3	8.0%	124.9%	117.4%*
Japan	12.2	15.4%	130.3%	-

\* Year-on-year increase on a yen basis, excluding the impact of exchange rate fluctuations

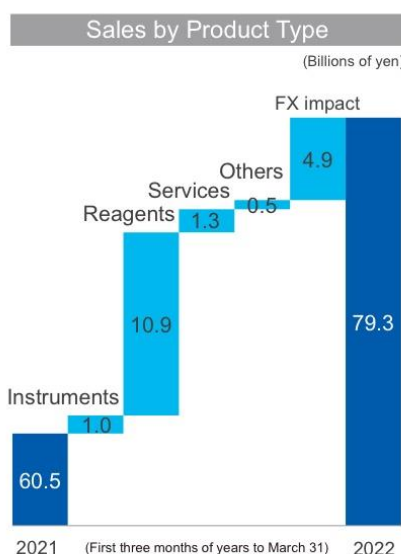
4

Please see the next page, which is net sales by destination.

Sales increased in all regions due to factors such as a recovery in demand for tests, which fell last year, and double-digit growth was achieved in all regions on a local currency basis.

The overall impact of foreign exchange rates on net sales was an increase of JPY4.92 billion, and the impact on net sales by region was an increase of JPY450 million in the Americas, an increase of JPY2.28 billion in EMEA, an increase of JPY1.8 billion in China, and an increase of JPY380 million in AP.

## Breakdown of Net Sales (by Product Type)



### ● Instruments:

- Installation delays in the United States gradually eased, and sales rose in France and new direct-sales areas in the EMEA region, leading to higher sales in the hematology field.
- Collaboration with Siemens led to higher sales in the urinalysis field in the United States.
- In Japan, sales were up due to a year-on-year recovery in the hematology and urinalysis fields.

### ● Reagents:

- Sales in the hematology and urinalysis fields rose by double digits, thanks to a recovery in testing demand.
- Sales related to COVID-19 testing increase in Japan and EMEA.

(Billions of yen)

	First three months of fiscal year ending March 31, 2022		YoY (Previous period = 100%)	
	Results	Ratio	Yen basis	Local currency basis
Instruments	19.0	24.0%	113.8%	106.4%
Reagents	46.7	58.9%	142.2%	133.2%
Services, others	13.5	17.1%	124.5%	117.7%

5

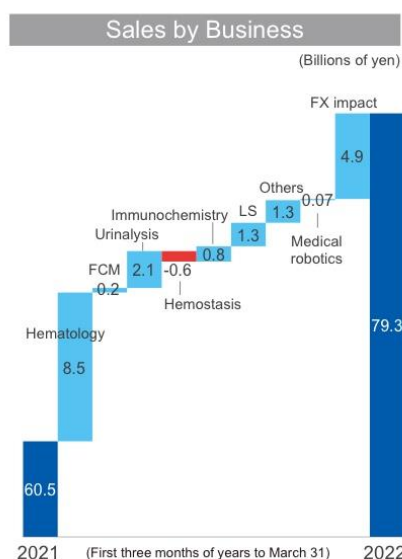
Please see the next page, which is net sales by product type.

Sales of instruments recovered in the US as installation delays due to the impact of the spread of the COVID-19 infections gradually eased, and in EMEA, sales grew in France, and also in Spain, and Portugal, where we newly switched to direct sales. Instrument sales also increased because of sales in the urinalysis field increased in the US due to the collaboration with Siemens, and in Japan, sales in the hematology and urinalysis fields recovered from the decline in the same period of the previous year.

In reagents, demand for tests recovered to the level before the spread of the COVID-19 infections, and sales in the hematology and urinalysis fields grew significantly, with double-digit increases.

In addition, COVID-19-related testing grew in Japan and EMEA with combined sales of instruments and reagents of approximately JPY2 billion.

## Breakdown of Net Sales (by Business)



Sales were up in all fields except hemostasis.

(Billions of yen)

	First three months of fiscal year ending March 31, 2022		YoY (Previous period = 100%)	
	Results	Ratio	Yen basis	Local currency basis
Net sales	79.3	100.0%	131.2%	123.0%
Hematology	48.7	61.4%	130.6%	122.9%
FCM	0.4	0.6%	260.1%	241.5%
Urinalysis	6.0	7.6%	171.7%	160.1%
Hemostasis	11.5	14.6%	101.6%	94.7%
Immunochemistry	3.6	4.6%	142.2%	134.7%
Clinical chemistry	0.7	0.9%	114.4%	109.9%
Life science	4.0	5.1%	166.6%	154.9%
Others	4.0	5.1%	162.9%	149.7%
Diagnostics business	79.2	99.9%	131.0%	123.0%
Medical robotics business	0.07	0.1%	-	-

6

Please see the next page, which is net sales by business.

Sales increased in all fields except for the hemostasis. Sales in the three fields of hematology, urinalysis, and immunochemistry increased due to a recovery in the number of tests, which had declined due to the impact of the COVID-19, resulting in growth in reagent sales in each field.

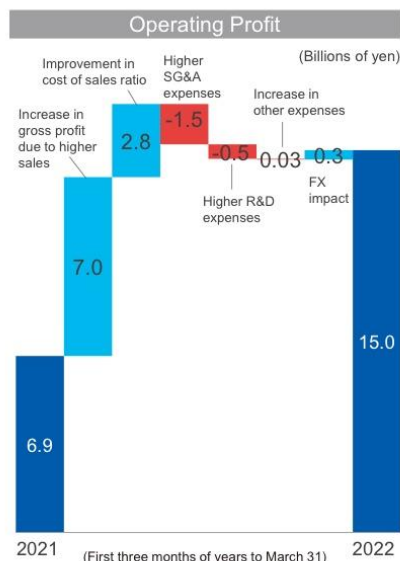
In the hemostasis field, sales of D-Dimer reagent, which is utilized as an indicator for monitoring serious conditions of the COVID-19 infections, continued to be strong, while sales of other reagents and instruments decreased, resulting in a decline in sales.

In the life science field, sales increased due to strong sales of COVID-19-related tests in Japan and EMEA.

## Breakdown of Operating Profit



Note: the figures below exclude the impact of exchange rates.



- Increase in gross profit due to higher sales: ¥7.04 billion
- Impact of improvement in the cost of sales ratio: ¥2.88 billion (3.9pt improvement)
  - Improvement due to the product mix (increase in proportion of reagent sales)
  - Improvement due to an increase among the product mix of products having a low cost of sales ratio
- Increase in SG&A expenses: ¥1.59 billion
  - Expenses rose due to the recommencement of sales and service activities, as well as to reinforcement of the direct selling structure.
  - Increase in expenses related to digitalization.
- Increase in R&D expenses: ¥0.57 billion
  - Rise due to ongoing investment in product development and expenses related to regulatory affairs
- FX impact: ¥0.37 billion

7

Please see the next page, which is breakdown of operating profit.

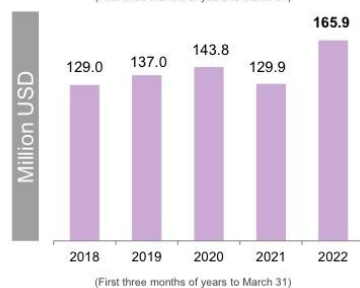
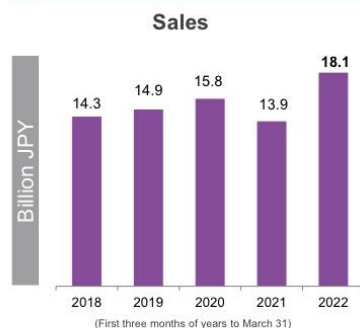
The main reason for the increase in operating profit was an increase in gross profit due to higher sales and an improvement in the cost of sales ratio.

The reason for the improvement in the cost-to-sales ratio by 3.9 percentage points is that sales of reagents, which have a low cost-to-sales ratio, recovered due to the recovery from the impact of the COVID-19 pandemic, resulting in an increase in the composition of sales within total sales. In addition, the cost of sales ratio improved due to an increase in the composition of products with a low cost of sales ratio among reagent sales.

SG&A expenses increased by JPY1.59 billion, mainly due to an increase in expenses for the resumption of sales and service activities and the strengthening of the direct sales system, as well as an increase in expenses related to digitalization.

R&D expenses increased due to continued active investment in research and product development, as well as increased expenses related to regulatory affairs.

## Information by Destination (Americas)



(Billions of yen)

	First three months of fiscal year ending March 31, 2022	First three months of fiscal year ended March 31, 2021	YoY (Previous period = 100%)	
			(Yen basis)	(Local currency basis)
Sales	18.1	13.9	129.9%	127.7%
Instruments	4.7	3.7	126.3%	124.1%
Reagents	8.1	5.9	136.7%	134.3%
Services, others	5.1	4.1	123.6%	121.5%

**As economic activity resumed, in the United States testing demand recovered in the hematology field, and business in the urinalysis field increased, boosting sales.**

- **Instruments:** We made progress in installing hematology instruments for which delivery had been delayed, particularly in the United States, and higher sales in the urinalysis field through our alliance with Siemens, lifting sales.
- **Reagents:** As business picked back up after the impact of COVID-19, sales increased in the hematology and urinalysis fields.

8

Please see the next page, which is the results by region.

In the Americas, sales were JPY18.16 billion, up 29.9%, or 27.7% on a local currency basis.

In the US, demand for tests in the field of hematology recovered and sales of reagents increased, while sales in the field of urinalysis also grew, resulting in an increase in sales.

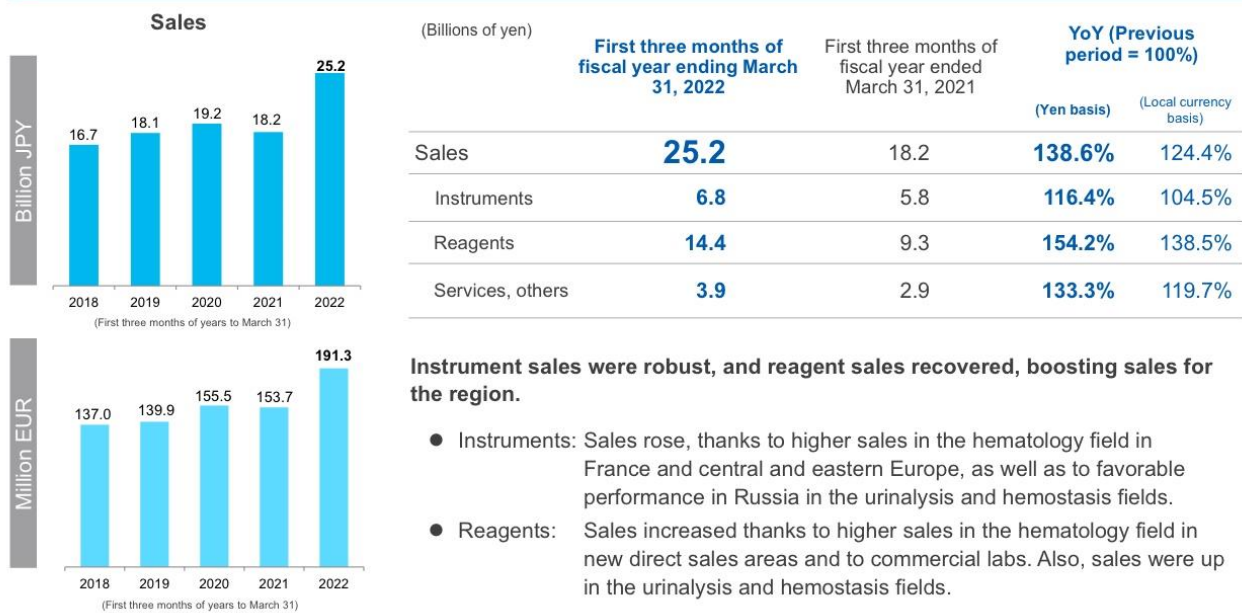
Sales of instruments increased mainly due to progress in the installation of hematology equipment in the US, which had been delayed due to the spread of the COVID-19 infections last year, and strong sales to users transferred through the collaboration with Siemens in the urinalysis field, as well as sales of urinalysis system products that combine the products of both companies.

Sales of reagents increased mainly in the hematology and urinalysis fields due to recovery from the impact of the COVID-19 pandemic.

I would like to explain the sales growth rate on a local currency basis by region within the Americas region. US, up 29.2%, Canada, up 35.0%, and Latin America, up 12.8%.



## Information by Destination (EMEA)



Please see the next page, which is EMEA.

Sales totaled JPY25.24 billion, up 38.6%, or 24.4% on a local currency basis.

Sales of instruments and reagents both increased.

Sales of instruments increased due to growth in the field of hematology in France and Central and Eastern Europe, the urinalysis and hemostasis fields also performed well in Russia and other countries.

Sales of reagents increased due to sales growth in Spain and Portugal, which are new direct sales areas in the field of hematology, and in commercial laboratories, which we installed our products last year, and also in urinalysis and hemostasis fields.

I would like to explain the sales growth rate on a local currency basis by region within the EMEA region. The 5 major countries were up 38.6%, Other Europe, up 11.1%, Middle East, down 11.8%, Eastern Europe and Russia, up 45.9%, and Africa, up 17.5%.

## Information by Destination (China)



(Billions of yen)

	First three months of fiscal year ending March 31, 2022	First three months of fiscal year ended March 31, 2021	YoY (Previous period = 100%)	
			(Yen basis)	(Local currency basis)
Sales	17.3	13.8	125.4%	112.2%
Instruments	4.5	4.8	94.0%	84.1%
Reagents	10.7	7.4	145.0%	129.7%
Services, others	1.9	1.5	130.0%	116.2%

**Sales of instruments were down, affected partly by performance in the previous term. Even so, sales for the region rose, due to higher sales of reagents.**

- Instruments: Despite higher sales in the hematology field, instrument sales were down due to the impact of high demand in the immunochemistry field in the previous fiscal year.
- Reagents: Reagent sales expanded, as a recovery from the impact of COVID-19 led to higher sales in the hematology, urinalysis, and immunochemistry fields.

10

Please see the next page, which is China region.

Net sales were JPY17.36 billion, an increase of 25.4%, or 12.2% on a local currency basis. Although sales of instruments decreased due to the impact of the previous fiscal year, sales of reagents increased, resulting in an increase in sales.

Sales of instruments decreased due to the impact of the strong demand in the immunochemistry field, etc., in the same period of the previous fiscal year, despite growth in the hematology field.

Overall sales of reagents increased due to strong sales in the hematology, urinalysis, and immunochemistry fields as a result of recovery from the impact of the COVID-19 pandemic.

I would like to explain the growth rate of sales in China on a local currency basis by business field. Hematology, up 49.2%, Urinalysis, up 45.8%, Hemostasis, down 24.7%, and Immunochemistry, up 7.9%.

## Information by Destination (AP)



11

Please see the next page, which is AP region.

Net sales were JPY6.36 billion, up 24.9%. Although sales of instruments decreased, sales of reagents increased in all fields, resulting in an increase in sales.

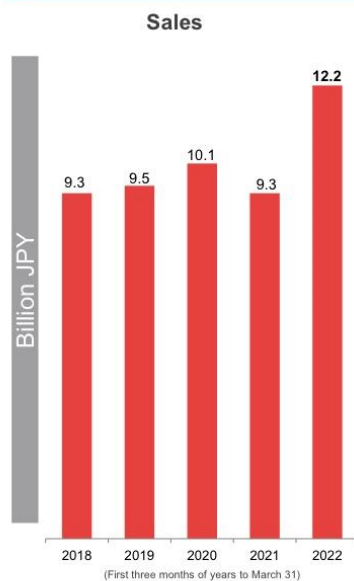
In the area of instruments, sales in the urinalysis and hemostasis fields increased mainly in India and Thailand, but sales decreased due to delays in orders in the hematology field caused by the re-emergence of infection in South Korea and Taiwan.

As for reagents, despite the continued spread of the COVID-19 infections in various countries, demand for testing increased and sales grew in all areas, resulting in an increase in sales.

The following table shows the sales growth rate by region within the AP region. Southeast Asia was up 12.8%, South Asia, up 167.4%, Oceania, up 5.4%, and East Asia, up 7.5%.



## Information by Destination (Japan)



	First three months of fiscal year ending March 31, 2022	First three months of fiscal year ended March 31, 2021	YoY (Previous period = 100%) Yen basis
Sales	12.2	9.3	130.3%
Diagnostics business	12.1	9.3	129.6%
Instruments	1.5	0.8	178.1%
Reagents	8.7	6.7	129.9%
Services, others	1.8	1.7	105.3%
Medical robotics business	0.07	-	-

**Sales rose, due to robust performance centering on the hematology and urinalysis field, as well as testing demand related to COVID-19.**

- **Instruments:** Sales rose in the hematology, urinalysis and immunochemistry fields, due to recovery from the impact of COVID-19.
- **Reagents:** Reagent sales increased, due to higher sales in the immunochemistry and life science fields related to COVID-19 testing.

12

Please see the next page, which is Japan region.

Net sales totaled JPY12.22 billion, up 30.3%. In addition to a recovery in sales due to a recovery in demand for testing, demand for COVID-19-related testing also contributed to an increase in sales.

Instrument sales increased in the hematology, urinalysis, and immunochemistry fields due to recovery from the impact of the COVID-19 pandemic.

Sales of reagents increased due to growth in the immunochemistry field, driven by antigen testing, and in the life science field, driven by PCR testing.

Sales of COVID-19-related tests, including both instruments and reagents, totaled approximately JPY1.1 billion.

# Consolidated Earnings Forecast



Note: No changes subsequent to May 2021 announcement

## Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2022

Net sales: **¥350.0 billion**

Operating profit: **¥60.0 billion**

Operating margin: **17.1%**

Profit attributable to owners of the parent: **¥40.0 billion**

Profit attributable to owners of the parent to net sales: **11.4%**

### Planned investment

Capital expenditure:

**¥39.0 billion**

(includes both tangible and intangible assets)

Depreciation and amortization:

**¥29.5 billion**

R&D expenditure:

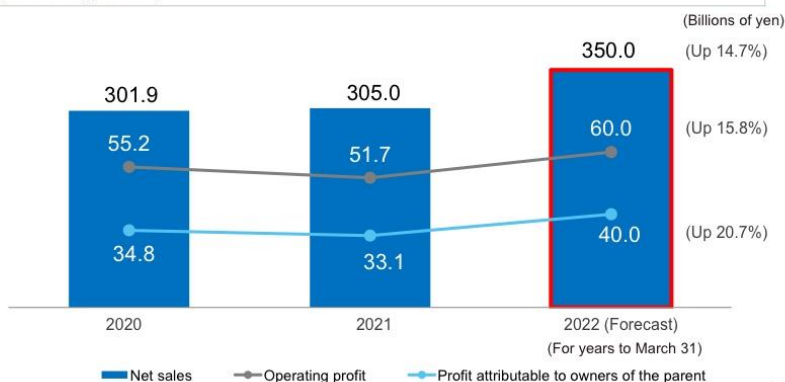
**¥27.5 billion**

### Assumed Exchange Rates

	Assumed exchange rates for full year	Previous year (Fiscal year ended March 31, 2021)
1 USD	¥106.0	¥106.1
1 EUR	¥125.0	¥123.7
1 CNY	¥16.0	¥15.7

### Exchange Rate Sensitivity

	Net sales (year)	Operating profit (year)
USD	¥0.68 billion	¥0.18 billion
EUR	¥0.51 billion	¥0.16 billion
CNY	¥5.88 billion	¥4.53 billion



13

Please see the next page. Finally, here is the full-year forecast.

Although the Japanese yen is currently weaker than expected in terms of exchange rate, there is no change from the full-year forecast announced in May.

We need to keep a close eye on various changes in the external environment, such as future trends in foreign exchange rates and the re-emergence of COVID-19, but we will continue to implement priority actions and work toward achieving our goals.

This concludes the explanation.

[END]